



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/710,097	11/10/2000	Daniel Abeshouse	046700-5015	4234

9629 7590 03/26/2003

MORGAN LEWIS & BOCKIUS LLP
1111 PENNSYLVANIA AVENUE NW
WASHINGTON, DC 20004

EXAMINER

WEISBERGER, RICHARD C

ART UNIT	PAPER NUMBER
----------	--------------

3624

DATE MAILED: 03/26/2003

9

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/710,097

Applicant(s)

ABESHOUSE ET AL.

Examiner

Richard C Weisberger

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-21 and 28-59 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-21 and 28-59 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on ____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) ____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). ____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

Art Unit: 3624

DETAILED ACTION

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-19, 28-59 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter, lacking any claimed ties to the technological arts.

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 51-59 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The preamble reads "a system". Since a system can read on an apparatus or a method, correction is requested.

4. Claims 20, 21, and 51-59 are rejected under 35 U.S.C. 102(b) as anticipated by or, in the alternative, under 35 U.S.C. 103(a) as obvious over SEC S-1/A document.

THE FREEMARKETS SOLUTION

The prior art teaches an online auctioning system sold under the name Bidware. This exert teaches the system an auctioning method. The examiner is unable to determine if the commonly owned system anticipated or renders obvious each of the components of claims 51-59.

Art Unit: 3624

A REJECTION UNDER 35 U.S.C. 102/103 CAN BE MADE WHEN THE PRIOR ART PRODUCT SEEMS TO BE IDENTICAL EXCEPT THAT THE PRIOR ART IS SILENT AS TO AN INHERENT CHARACTERISTIC

The disclosure reads as follows:

We combine our proprietary BidWare Internet technology with our in-depth knowledge of supply markets to help industrial buyers obtain lower prices and make better purchasing decisions. In a FreeMarkets online auction, multiple suppliers from around the world can submit bids for a buyer's purchase order in a real-time, interactive competition. Our auctions, in contrast to those designed for sellers, are "downward price" auctions in which suppliers continue to lower their prices until the auction is closed. For each auction, we work with our client to identify and screen suppliers and to assemble a request for quotation that provides detailed, clear and consistent information for suppliers to use as a basis for their competitive bids. Our service, which we call "market making", creates a custom market for the goods or services being purchased by our client in a particular auction. Our solution provides:

- SUBSTANTIAL SAVINGS. Our online auctions can deliver substantial savings to our clients. Depending upon the nature of the direct materials or services being bid, savings typically range from a few percentage points on purchases of commodities to more than 25% on purchases of custom industrial components, with even greater savings at times. Clients often begin to save with the first auction we conduct.
- ROBUST INTERACTIVE TECHNOLOGY. Our BidWare Internet technology facilitates dynamic competitive bidding by enabling suppliers to submit bids in real time and to view competing bids within seconds after their submission. Our technology is also flexible. We can easily configure our BidWare software in many different formats to address the characteristics of a particular supply market and to achieve the particular objectives of each of our clients. In addition, we engage in a continuous process of improving our technology by adding new functions and features that we develop through our auction experience.
- TAILORED APPROACH TO CLIENTS' NEEDS. We tailor our services to meet the

Art Unit: 3624

needs of each client. Our clients are typically large corporations that purchase a wide variety of industrial parts, raw materials and commodities. Each client has its own unique organizational structure, approach to purchasing and specific purchasing objectives. We work with each client to identify the portions of their purchases that are best suited for our market making approach and we design a program of services that meets their needs.

- **IN-DEPTH KNOWLEDGE OF SUPPLY MARKETS.** We develop and manage specialized information about many different product categories. Each time we conduct an auction for a client, we add to the knowledge we can apply to our business. We maintain a database of thousands of potential suppliers, with information about their manufacturing processes, quality assurance practices, market focus and facilities. This in-depth knowledge enables us to provide our clients with market information that they cannot easily generate themselves or obtain from other sources.

- **MARKET INTEGRITY.** We have designed our market making service to enable our clients to evaluate competing suppliers on the basis of price, quality and performance in a process that is intended to be fair to all participating suppliers. The request for quotation that is sent to potential suppliers provides detailed and clear specifications, so that all suppliers who participate in a FreeMarkets online auction have consistent information to use as a basis for their bids. Buyers and suppliers who participate in our auctions agree in advance to a set of auction rules which are designed to ensure the integrity of the markets that we create. These rules give participating suppliers the confidence to submit their best bids.

THE FREEMARKETS STRATEGY

We seek to be the world's leading provider of business-to-business online auctions. The key elements of our strategy are:

- **EXTEND OUR CLIENT BASE.** We intend to extend our client base in our target

Art Unit: 3624

market of Global 1000 corporations and other large enterprises, particularly those whose purchasing needs include custom-engineered industrial parts or other customized goods or services obtained from fragmented supply markets. We also successfully serve the Commonwealth of Pennsylvania, and believe that our service can attract other governmental entities. In order to become better known in our target markets, we plan to hire additional sales and marketing personnel and increase our marketing and advertising expenditures on brand development.

- EXPAND INTO ADDITIONAL PRODUCT CATEGORIES. We intend to expand into additional product categories where our online auctions can continue to generate savings for buyers. We plan to identify these markets by working with our existing and prospective clients to determine additional direct materials, services and commodities that would be appropriate for our solution and by hiring personnel with expertise in a variety of product categories. We believe that knowledge of additional product categories will enable us to expand our relationships with our existing clients, as well as to serve new clients.

5. Applicant and the assignee of this application are required under 37 CFR 1.105 to provide the following information that the examiner has determined is reasonably necessary to the examination of this application.

6. In response to this requirement, please state the specific improvements of the subject matter in claims 1-59 over the disclosed prior art known as Bidware and indicate the specific elements in the claimed subject matter that provide those improvements. For those claims expressed as means or steps plus function, please provide the specific page and line numbers within the disclosure which describe the claimed structure and acts.

Art Unit: 3624

7. In response to this requirement, please provide a any documentation describing the elements of the product known as Bidware.

8. In response to this requirement, please provide a duplicate copy of the IDS submitted as part of the applicant's petition to make special.

7. In responding to those requirements that require copies of documents, where the document is a bound text or a single article over 50 pages, the requirement may be met by providing copies of those pages that provide the particular subject matter indicated in the requirement, or where such subject matter is not indicated, the subject matter found in applicant's disclosure.

8. The fee and certification requirements of 37 CFR 1.97 are waived for those documents submitted in reply to this requirement. This waiver extends only to those documents within the scope of this requirement under 37 CFR 1.105 that are included in the applicant's first complete communication responding to this requirement. Any supplemental replies subsequent to the first communication responding to this requirement and any information disclosures beyond the scope of this requirement under 37 CFR 1.105 are subject to the fee and certification requirements of 37 CFR 1.97.

9. The applicant is reminded that the reply to this requirement must be made with candor and good faith under 37 CFR 1.56. Where the applicant does not have or cannot readily obtain an item of required information, a statement that the item is unknown or cannot be readily obtained will be accepted as a complete reply to the requirement for that item.

Art Unit: 3624

10. This requirement is an attachment of the enclosed Office action. A complete reply to the enclosed Office action must include a complete reply to this requirement. The time period for reply to this requirement coincides with the time period for reply to the enclosed Office action.

Respectfully

By. 

Richard Weisberger

Richard.Weisberger@uspto.gov

703 308 4408